

UNITED STATES ECURITIES AND EXCHANGE COMMISSION Washington, D. C. 20549

ANNUAL AUDITED REPORT **FORM X-17A-5**

PART III **FACING PAGE**

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SEC FILE NUMBER 8-65359

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

A. RI NAME OF BROKER-DEALER:	EGISTRANT IDENTIFICATION	OFFICIAL USE ONLY	
BIO-IB, INC.		FIRM ID. NO.	
ADDRESS OF PRINCIPAL PLACE OF E	BUSINESS: (Do not use P. O. Box No.)	n l	
666 THIRD AVENUE, 16 TH FLOOR		P	
NEW YORK,	NEW YORK	10017	
<u></u>			
(City) NAME AND TELEPHONE NUMBER O	(State) OF PERSON TO CONTACT IN REGAR	(Zip Code) D TO THIS REPORT	
NAME AND TELEPHONE NUMBER O	F PERSON TO CONTACT IN REGAR		
NAME AND TELEPHONE NUMBER O	F PERSON TO CONTACT IN REGAR (212	D TO THIS REPORT	
NAME AND TELEPHONE NUMBER O	F PERSON TO CONTACT IN REGAR (212	D TO THIS REPORT) 697-1974	
NAME AND TELEPHONE NUMBER OF THERESA DOWLING, President B. AC	PERSON TO CONTACT IN REGAR (212 (Area Code	D TO THIS REPORT 697-1974 Telephone No.)	
NAME AND TELEPHONE NUMBER OF THERESA DOWLING, President B. AC INDEPENDENT PUBLIC ACCOUNTAN	PERSON TO CONTACT IN REGAR (212 (Area Code	D TO THIS REPORT 697-1974 Telephone No.)	
NAME AND TELEPHONE NUMBER OF THERESA DOWLING, President B. AC INDEPENDENT PUBLIC ACCOUNTANT LERNER & SIPKIN, CPAs, LLP	PERSON TO CONTACT IN REGAR (212 (Area Code	D TO THIS REPORT) 697-1974 = Telephone No.) port*	
NAME AND TELEPHONE NUMBER OF THERESA DOWLING, President	(212 (Area Code CCOUNTANT IDENTIFICATION IT whose opinion is contained in this Rep New York N	D TO THIS REPORT) 697-1974 = Telephone No.) port*	

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number

SEC 1410 (06-02)

^{*}Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

OATH OR AFFIRMATION

I, THERESA DOWLING, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of BIO-IB, INC., as of DECEMBER 31, 2004,

are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, member, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

	NONE
	XSignature Pochdert
A	Title
X Call bodinan Ngary Public	CARL GOODMAN Notary Public, State of New York No. 01609821038
This report** contains (check all applicable (x) (a) Facing page. (x) (b) Statement of Financial Condition (x) (c) Statement of Income (Loss). (x) (d) Statement of Cash Flows.	e boxes): Qualified in Rockland County Commission Expires March 30, 20 6
(x) (e) Statement of Changes in Stockhol(x) (f) Statement of Changes in Liabilitie	lders' Equity or Partners' or Sole Proprietor's Capital. es Subordinated to Claims of Creditors.
 () (i) Information Relating to the Posses () (j) A Reconciliation, including appropriate Rule 15c3-1 and the Computation 	f Reserve Requirements Pursuant to Rule 15c3-3. ssion or Control requirements under rule 15c3-3. opriate explanation, of the Computation of Net Capital Under for Determination of the reserve requirements Under Exhibit A
respect to methods of consolidation	ted and unaudited Statements of Financial Condition with n.
 (x) (l) An Oath or Affirmation. () (m) A copy of the SIPC Supplemental () (n) A report describing any material i date of the previous audit. 	Report. nadequacies found to exist or found to have existed since the
(x) (o) Independent Auditors' Report.	
** For conditions of confidential treatment	of certain portions of this filing, see section 240.17a-5(e)(3).

BIO-IB, INC. INDEPENDENT AUDITORS' COMMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004



132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

E-mail: LS@lernerslpkin.com

To the Officers and Directors of Bio-IB, Inc. 666 Third Avenue - 16th floor New York, NY 10017

Gentlemen:

In planning and performing our audit of the financial statements of Bio-IB, Inc. for the year ended December 31, 2004, we considered its internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5 (g) (1) and (2) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by Bio-IB, Inc. that we considered relevant to the objectives stated in Rule 17a-5 (g), (1) in making periodic computations of aggregate indebtedness and net capital under Rule 17a-3 (a) (II); (2) in complying with the exemptive provisions of Rule 15c-3-3. We did not review the practices and procedures followed by the Company (1) in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13; (2) in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System; and (3) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the Commission's above mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5 (g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure, including procedures for determining compliance with the exemption provisions of Rule 15c3-3, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study we believe that the Company's practices and procedures were adequate at December 31, 2004 to meet the Commission's objectives.

This report recognizes that it is not practicable in an organization the size of Bio-IB, Inc. to achieve all the divisions of duties and cross checks generally included in a system of internal accounting control and that alternatively greater reliance must be placed on surveillance by management.

Further, that no material differences existed between our computations of your net capital, or determination of the reserve requirements, and your corresponding focus report part II A filing.

This report is intended solely for the use of management, the Securities and Exchange Commission, and other regulatory agencies, which rely on Rule 17a-5 (g) under the Securities Exchange Act of 1934 and should not be used for any other purpose.

Respectfully submitted,

Lerner & Sipkin, CPAs, LLP Certified Public Accountants (NY)

New York, NY February 18, 2005

BIO-IB, INC. STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2004

I, THERESA DOWLING, swear that to the best of my knowledge and belief, the accompanying financial statements and supporting schedule(s) pertaining to the Firm of BIO-IB, INC., as of DECEMBER 31, 2004,

are true and correct. I further swear that neither the Company nor any partner, proprietor, principal officer, director or member has any proprietary interest in any account classified solely as that of customer, except as follows:

No Exceptions

(Signature)

(Title)

CARL GOODMAN
Notary Public, State of New York
No. 01G09821038
Qualified in Rockland County

Commission Expires March 30, 20

(Notary Public)

BIO-IB, INC.

STATEMENT OF FINANCIAL CONDITION DECEMBER 31, 2004

ASSETS

Cash and cash equivalents Other assets Total assets	\$ 17,748 2,445 \$ 20,193
LIABILITIES AND STOCKHOLDER'S EQUITY	
Liabilities:	
Accounts payable and accrued expenses	\$ 3,333
Total liabilities	3,333
Commitments and Contingencies (Note 3)	
Stockholder's equity (Note 5)	
Common stock, no par value; \$1,500 shares	
authorized, issued and outstanding	68,085
Retained (deficit)	(51,225)
Total stockholder's equity	16,860
Total liabilities and stockholder's equity	\$ 20,193

The accompanying notes are an integral part of these statements.

BIO-IB, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2004

Note 1- Nature of Business

Bio-IB, Inc. (The "Company"), a Delaware corporation, is a broker/dealer of securities registered with the Securities and Exchange Commission and is a member of the National Association of Securities Dealers, Inc. The Company was formed primarily to advise European micro-cap and small-cap companies primarily in the biotechnology and information technology sectors in the private placement of securities to United States institutions.

The "Company" operates under the provisions of Paragraph (k) (2) (ii) of Rule 15c3-3 of the Securities Exchange Commission, and accordingly is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k) (2) (ii) provide that the Company clears all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer, and promptly transmits all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

The Company is wholly owned by Axcel Capital Partners SArl, Ltd. ("Ltd."), a Swiss corporation.

Note 2- Summary of Significant Accounting Policies

a) Revenue Recognition

Commission income (and the recognition of related income and expenses) is recorded at the time the commissions are realized.

b) Income Taxes

The Company accounts for income taxes under SFAS No. 109, which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets if it is more likely than not that such assets will not be realized.

c) Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers money market instruments to be cash and cash equivalents. The Company maintains cash in bank accounts which, at times, may exceed federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

d) Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

BIO-IB, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2004

Note 3- Management Agreement

The Company entered into a Management Agreement (the "Agreement") with Ltd. whereby the Company pays Ltd. a management fee, as base compensation for services provided to the Company, including, but not limited to, financial services management, information systems, office facilities and administrative services. Additionally, Ltd. provides for overhead expenses, which include, but are not limited to, rent, office equipment and supplies, secretarial expenses, charges for furniture and equipment, utilities, salaries, and expenses of directors, employees and agents. The management fee can be adjusted by Ltd. upon 30 days' prior notice to the Company. In addition to the management fee, Ltd. may charge the Company for certain overhead expenses, as determined by the board of directors of Ltd. As per the Agreement, the management fee has been waived by Ltd. until the Company is otherwise notified.

Note 4- Income Taxes

At December 31, 2004, the Company had a net operating loss carryforward of approximately \$51,000 for income tax purposes. This carryforward will expire from 2018. Since it is doubtful that such carryforward will be utilized in the near term, a valuation allowance of \$9,000 has been established to offset the deferred tax asset arising from this carryforward. Therefore, no deferred tax assets have been recorded on the accompanying statement of financial condition.

Note 5- Net Capital Requirement

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 1500%. At December 31, 2004, the Company's net capital of \$14,415 was \$9,415 in excess of the required net capital of \$5,000. The Company's net capital ratio was 23.12%.

A copy of the Company's Statement of Financial Condition as of December 31, 2004, pursuant to SEC Rule 17a-5 is available for examination at the Company's office and at the regional office of the Securities and Exchange Commission and the office of the National Association of Securities Dealers, Inc.



132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074
E-mail: LS@lernersipkin.com

INDEPENDENT AUDITORS' REPORT

To the Officers and Directors of Bio-IB, Inc. 666 Third Avenue - 16th floor New York, NY 10017

Gentlemen:

We have audited the accompanying statement of financial condition of Bio-IB, Inc. as of December 31, 2004. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Bio-IB, Inc. as of December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.

Jerse i Syrin CPAs LLP Lerner & Sipkin, CPAs, LLP

Certified Public Accountants (NY)

New York, NY February 18, 2005